

OBSERVATIONS
ON
TRADE,
CONSIDERED
IN REFERENCE, PARTICULARLY, TO
THE PUBLIC DEBT,
AND TO
THE AGRICULTURE
OF THE UNITED KINGDOM.

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OBSERVATIONS ON THE PRACTICABILITY AND EXPEDIENCY OF
LIQUIDATING THE PUBLIC DEBT OF THE UNITED KINGDOM."

LONDON:

PRINTED FOR LONGMAN, HURST, REES, ORME, AND BROWN,
PATERNOSTER-ROW; J. M. RICHARDSON, CORNHILL;
J. HARDING, ST. JAMES'S STREET; HATCHARD
AND SON, PICCADILLY; AND WAUGH
AND INNES, EDINBURGH.

1822.

The Reader to whom the practicability of Liquidating the Public Debt may be the subject of peculiar interest, is referred to the Appendix D. (p. 41.)

OBSERVATIONS

ON

TRADE,

&c.

UNIVERSAL peace and good-will, would render laws unnecessary for the *regulation of trade*. If the benevolent principle bore universal and unlimited sway, all regard to partial or particular interest would merge in a comprehensive sense of the interest of the whole.

But the unhappy influence of the malevolent principle narrows human action into a system of caution and guard: the best directed efforts of benevolence are contracted into limit in their appli-

cation, not by the finite nature of human power only, but by the dictates of prudence and experience.

It is however not the less clear, that all human action not originating in the benevolent principle, *is defective* ; and in reference to this axiom of universal application, the intercourse of domestic and foreign trade becomes a subject of moral interest, co-extensive with its political importance.

The various productions of nature and of art stimulate industry by the desire of possession, and administer to the wants, the comfort, and the refinement of mankind. *The encouragement of labor*, and the *easy exchange of property*, subject to the limitation only which the necessity of human affairs prescribes, are, therefore, principal objects of legislation and government.

The limit which this necessity, duly considered, prescribes to the intercourse of trade, in the instance of Great Britain, may be reduced to two considerations ; namely,

National Protection,

and

Constancy of individual pursuit or employment.

And the more extended the interchange of the products of labor and ingenuity can be rendered, without imprudent hazard in these respects, the

more will the law by which man is bound to love his neighbour as himself be fulfilled.

For *Protection*, the United Kingdom depends chiefly upon maritime power. The encouragement of British navigation is therefore essential to all the political calculations of British trade.

And as the United Kingdom depends for internal peace, order and satisfaction, upon maintaining an even and uninterrupted course in the direction and application of capital and of labor, the consideration of *Constancy of Individual Pursuit*, or the stability or fixedness of her various relations, should be entertained with anxious solicitude. These various relations are;

The reciprocal relations within the limits of the *British Isles*.

The reciprocal relations of the several parts or members of the *Empire*, comprehending all countries under the British dominion.

And the relations of the British Empire with Foreign countries.

The soil, climate, population, and marine position, are the chief elements of political power.

Industry is the active and moving principle, which renders these several elements of power productive and effective.

The *British Empire* possesses *within itself*, to an extent without example, these elements of power, in a state of combination peculiarly favorable to the excitement of industry, and to the development of the means of protecting the property which becomes the effect of industry. The soil and climate, the minerals, the fisheries, the insularity of the United Kingdom; the variety of soil, climate, production and the *maritime distance* of the British possessions and dependencies, in North America, in the Antilles, in New Holland, in Asia, in Africa, and at the entrance and in the Isles of the Mediterranean Sea; and the numerous people who inhabit these countries—laborious, inventive, enterprising and persevering, present a combination unparalleled in the History of Nations. It is the province of the Statesman, to develop these vast resources; and however extensive the object may be, an attentive and undeviating regard to first principles will produce a *simplicity of action*, the least exposed to the risk of error or miscarriage.

Considered in reference to the intercourse of trade, a due regard to first principles would require *that duties and taxes* should be limited, throughout the Empire, *to the proper annual expenses* of the State, and of the several local Governments; that the readiest and least expensive communication, by means of roads, bridges, internal

navigation and docks, should be provided; that the ports and harbours of the kingdom should be the subject of careful attention and improvement; *that the utmost facility should be accorded to the transmarine British carrier*, and that the laws of export and import, throughout the *Empire*, should be consistent and uniform in principle, and clear and distinct in application. A system which appearing to consult the interests of the individual only, would result in the great advancement of the State in effective power and authority, and would practically illustrate the principle of "Free Trade," by modes of application to which exception cannot be made.

Reciprocity of advantage is implied in the exchanges of property which constitute *Trade*.

The exchanges of the produce of the *Country* for the productions of the *Town*, *within the British Isles*, are of reciprocal advantage to the cultivator and to the artificer and manufacturer, and consequently, are beneficial to the nation.

The exchanges of property *between the British Isles and the British possessions and dependencies in North America, in the Antilles, in Asia and elsewhere*, are of reciprocal advantage to the several members of the Empire engaged in this intercourse.

The exchanges of property *between the several parts or members of the Empire and foreign*

countries, are of reciprocal advantage to the British and to the foreign subject, and consequently to the respective countries.

But although all these exchanges are of reciprocal advantage; although the United Kingdom is benefited by each of these classes of exchanges of Property, a clear distinction arises in respect of each class.

In the instance of the exchange of property between the *Country* and the *Town*, *within the British Isles*, ALL the parties receiving advantage are British; the British advantages are *double* in every instance of such exchange, and the interests which are thus created, are in the heart of the Empire: to the extent to which these interests can be carried and sustained, they are identified with the existence of the Empire, they are of the most constant and permanent character, and their prosecution and extension tend to promote the home or coasting navigation, and thus to create a national arm for *protection*, in the seamen who are, by these means, brought into activity.

In the instance of the exchange of property *between the British isles*, and the *British possessions and dependencies in the various parts of the globe*, all parties receiving advantage are *British subjects*: the *British* advantages are again *double* in every instance of such exchange. In respect, however, of the advantages acquired by the dependent member of the Empire, and which become *located or*

fixed therein, the benefit is less certainly permanently British, than in the instance first mentioned, of the intercourse within the British Isles; because the dependent country may cease to be a British dependency. But in counterpoise of this disadvantage, so long as the connexion be maintained and continued, the interchanges being effected through the medium of British shipping, the national arm for protection is invigorated and strengthened, in a degree commensurate with the distance of the dependency, the salubrity of its climate, and the bulk of the commodities interchanged.

In the instance of the exchange of property between the *several parts or members of the British Empire and foreign countries*, the intercourse, under different degrees of probability, *is liable to interruption; one only* of the parties receiving advantage is *British*, the advantages are divided in the varying proportions of the varying circumstances and different relative situations of each of these foreign countries to the United Kingdom; and it is to be well observed, that the intercourse with some foreign countries is conducted chiefly in *British shipping*, the intercourse with other foreign countries, on the contrary, is conducted *chiefly or entirely in Foreign shipping*.

Here then are guides which leave no question as to the policy of giving the utmost facility and encouragement to the interchanges of property,

within the United Kingdom, and which indicate distinctly, the motives for facilitating such interchanges, between the several parts or members of the Empire.

The expediency of extending equal encouragement or of applying the principle of "Free Trade," in the same latitude, to the intercourse of trade extending beyond the limits of the British Empire, or to *foreign trade*, is not equally clear. In a state of "Universal peace and good will," the principle of "Free Trade" ought to command universal assent. Under the unhappy disposition of man to usurp the rights of man, and of Nations to give body and force to this disposition, it must be subjected to prudential calculation.

The principle of "Free Trade," in its unlimited application, merges the distinction between *British* Agriculture and *Foreign* Agriculture, between *British* Navigation and *Foreign* Navigation. Losing sight of these distinctions, and of the distinction between a *constant* and an *irregular* course of demand and supply, its advocates assume, that the immediate rate of the money price of commodities may be allowed to govern the dealer and consumer, without regard to any other consideration; and they, of course, contend, that this system of action would the most effectually advance every British Interest. The conclusion appears to be too general; but even in respect of

Foreign Trade, the nearest approximation to the principle of “Free Trade,” consistent with the considerations of *National protection* and *constancy of individual pursuit*, cannot be too ardently desired nor too sedulously promoted.’

Preparatory to a more connected view of the subject under consideration, three important changes, which have occurred during the last fifty years, of a decided character in their bearing upon Production, Trade and Navigation, will be noticed;—incidental to which, some observations will be offered upon the nature and effects of *Market*.

The changes to be noticed, are ;—

The change of most of the dependent British provinces of North America, to independent and rival maritime States.

The abolition of the British trade in slaves.

And the change *from comparatively low, to high constituents of cost, in respect of the agricultural productions of the United Kingdom.*

Each of the two first mentioned of these changes ; namely, the change of most of the dependent British provinces of North America to independent and rival maritime States, and the abolition of the

* See Appendix A.

British trade in slaves, constituted a great, decided and permanent change in the relative position of Great Britain, and required a decided change in the course of her policy. Without changing her political maxims, a clear and decided alteration in the *application* of those maxims, appears to have been required. The principles which indicated the expediency of such alteration, appear, however, to have been recognised of late only. Upon the representations, indeed, which have proceeded from merchants, and other parties, actuated by a sense of particular interest, partial changes have received the sanction of the Government and of the Legislature; but until the act of the last session of Parliament, “for the further regulation of trade to and from places within the limits of the charter of the *East-India Company*,” by which British ships are permitted to sail from the place of Asiatic growth to the country of consumption *generally*, the *principles* upon which such changes were required, do not appear to have been apprehended with the *strength*, and applied with the *effect*, required by their *latent power* and *practical* importance.

Whilst the United States of America were dependencies of the British Empire, the British Government, with great clearness and strength of judgment, encouraged the Agriculture and Navigation of those countries; the plantations in which

were emphatically called "British Plantations," and the ships of these British dependencies were entitled to the privilege of a British register, as the shipping of the American provinces continuing under the British Government, still are.

The West Indies and Great Britain, and the Continent of Europe, *through Great Britain*, presented markets for their produce; the staples of which were provisions, lumber, ashes, tobacco, and rice.¹ And to the supply of these markets, the planters and merchants assiduously directed their attention, in all the particulars which are calculated to promote a current and advantageous sale.

Thus possessed of the markets of the West Indies and of Europe, the change in these States from "British Plantations," giving employment to British capital and British shipping, *to independent and rival maritime States*, does not appear to have been met by sufficient regard to the remaining resources of the British Empire. When the plantations or farms of Virginia, Georgia and South Carolina ceased to be British, in respect both of produce and shipping, extensive supplies of cotton wool, rice, and probably tobacco, might have been obtained from the British Asiatic provinces, not only for the supply of Great Britain, and the dependencies of the British Empire wherein

¹ Very little *Cotton-wool* was grown in North America until after the declaration of American Independence.

such productions were required, but also for the supply of the continent of Europe, *at less than the American prices.*

But it does not appear that upon the acknowledgment of the Independence of the United States of America, any greater facilities of intercourse with the British Asiatic provinces were accorded to the British merchant; the British intercourse with those extensive, productive and cheap countries, continued in monopoly to the East India Company,¹ and that monopoly held the British trade with India in severe check.

When the British trade in slaves was abolished, *British Tropical Agriculture² in the West, became limited to the then actual extent of British cultivation.* The estates in cultivation no longer ad-

¹ It is not intended to convey any other than respectful sentiments of the East India Company, under whom the great fabric of the British Asiatic Government has arisen. Still, however, it has happened that the very expensive shipping system of the Company, and their management of the commercial property of private traders, until gradually broken down by the substitution of the present more enlarged and liberal system, nearly excluded all East Indian produce of great bulk, compared with its value, from the European market, through the medium of the British flag.

² The words "Tropical Agriculture," as used in this Essay, are not intended to be confined to their strict geographical sense, but to include the countries on either side of the Tropics in the hotter climates.

mitted of increase, either in number or extent, because fresh supplies of capable laborers were forbidden to the British planter.

This limitation does not, however, prescribe a limit to *demand* for the produce of Tropical countries ; the disposition to the consumption of sugar, coffee and other Tropical produce, and the ability to purchase such commodities, remained unaffected by the determination of the British Nation, not to extend the cultivation of the British possessions in the West. The demand for Tropical productions, so far from being reduced, is increasing, particularly with the increasing population of the two continents of America.

When *this* limit to the British employment of slaves, and consequently to British shipping, was imposed, national compensation was again presented in the British Asiatic provinces.

Those provinces present an inexhaustible resource for sugar, and, it is presumed, coffee, *at prices against which it would be impracticable to maintain successful competition by means of the labor of slaves.*¹ The Act of the last session, already mentioned, permitting a direct commercial intercourse, in British ships, between the British ports in Asia and the world generally, at length

¹ The difference in the *quality* of the products of the East and West will be noticed hereafter.

recognises, and to great extent applies, the principles of British policy, to the circumstances occasioned by the change of relation in the American provinces and by the abolition of the Slave Trade, and affords a reasonable ground of expectation, not only that the British Flag will continue ascendant, but that the demand for slave labor, will decline in the Foreign Settlements.¹

The third and last change to be noticed, namely, the change from comparatively low, to high constituents of cost, in the cultivation of the United Kingdom, has very considerably, but it may be hoped not *permanently*, affected the United Kingdom in her powers of production, and in all her trading and commercial relations.

In particular, this change has already very considerably lowered, and threatens further to lower the impulse to the growth of British corn, and also threatens the most destructive effects to the British land-owner and farmer, from the importation of Foreign corn.

The consideration of the nature and effects of *Market*, will lead to the more distinct apprehension of this subject, and will illustrate the subject of trade generally.

A *beneficial* market is the first and last object of Political Economy: a beneficial market excites

¹ See Appendix B.

to enterprise and exertion by the promise of advantage which it offers ; a beneficial market accords the return to active capital, compensation to labor, and rent to the proprietor of the soil. These advantages must be derived from the *market*, or they cannot be enjoyed.

The causes which, without having recourse to bounties or restrictive laws, dispose to a market becoming and continuing beneficial, are ;—

Skill in cultivation and preparation for sale.

Capital.

Consumption or demand.

Low constituents of cost.

Low charges of transit.

The causes which, on the contrary, indispose to a market becoming or continuing beneficial, are ;—

Deficiency of skill in cultivation or preparation for sale.

Deficiency of capital.

Deficiency of consumption or demand.

High constituents of cost.

High charges of transit.

The British Empire comprehends, in a very high degree, the means necessary to the enjoyment of *beneficial markets*.

The impediments to the exercise and exertion of those means, now existing, very greatly reduce or wholly prevent the enjoyment of that advantage.

The cultivation of the British Isles is *skilful* ; the capital determinable to that object *abundant* ; most of the costs of *production* and *transit* depending upon *individual enterprise*, and upon *the ingenuity and skill of the artificer and manufacturer*, are low ; and the *consumption* or *demand for corn* (whatever may be the *present* effect of the productive harvest of the year 1820) through a considerable length of time, *has exceeded the native growth or supply*.¹ But although the market for corn might, upon these considerations, be expected to have been singularly beneficial, the *high costs and charges of production* occasioned, chiefly, by the present system of *duties, taxes and rates*, derange the economy of this great market of the country, and deprive ALL, either directly or indirectly dependent upon it, of the ease, satisfaction, and *power to stimulate a spirit of enterprize*, which they would otherwise enjoy and command, and in general would exert.

The average prices of the British market for corn, very far exceed the prices of corn in the markets of the world generally ; and a high average price is in some measure assured, by checking the

¹ The average quantity of wheat and flour added to the consumption of the country from the importation of Foreign wheat and flour for the years 1815, 1816, 1817, 1818, and 1819, being five years of peace, was 477,738 quarters. See Appendix, C.

introduction of Foreign corn to the British market. The price thus assured to the British grower is *more* than adequate to the costs of production, including rent, *if the public annuities and the maintenance of the capable poor be abstracted.*

These claims being remitted, considerable reduction in the prices of corn and other commodities might by degrees be experienced, as the *costs* of production should subside, consistently with the restoration of the farmer to a condition to make a liberal return of rent to the landlord.

The principle which deprives the British market for agricultural produce, of a character beneficial to the landlord or tenant, *inheres in the levy of the money required for the payment of the public annuitant.* The effect of this principle, upon the costs of production, cannot be estimated by the mere numerical amount of the annuities paid to the public creditor; nor by the combined amount of these annuities, of the sinking fund, of the charges of collection and management, and the advance which is necessarily made by merchants and dealers upon the duties paid by them.¹

These several particulars may be taken in round numbers as follows :

Amount of annuity and interest on unfunded

¹ See "Further Observations on the Practicability and Expediency of Liquidating the Public Debt of the United Kingdom," pp. 23 and 26.

debt payable to the public	-	-	32 millions
Sinking fund (reduced from 17 millions)	5		
Expenses of collecting and charges of management, $7\frac{1}{2}$ per cent. on 40 millions,	3		
Advance made by the merchant, manufacturer, and dealer, upon duties paid under the heads of Customs and Excise, 25 per cent. on 40 millions,	10		
			<hr/> 50 millions.

Unfortunately, however, this aggregate, although it shows that the consumer ought to pay *fifty* millions, in respect of *thirty-two* millions to be paid to the public creditor, exhibits only a small part or proportion of the *effect* of the system of public annuities upon the costs of production, and consequently upon *market*.

Fifty millions added to, or combined with, the cost of the several commodities subject to duties of Excise and Customs, require an advance in the price of *such commodities* to that extent. The consumer does, *or should*, through the medium of these commodities, pay the sum of fifty millions; unquestionably a very considerable sum: but the simple addition of fifty millions *to the cost of the whole of the commodities vended within one year in the United Kingdom*, would not have added more than twenty per cent. to prices, computing the annual amount, previous to any advance on this account, at two hundred and fifty millions.

The great and destructive effect of this *primary*

addition to money prices, upon *market*, is experienced in the action of *price upon price*. Malt, beer, spirits, wine, leather, salt, soap, candles, coals and other commodities require, in the aggregate, an increase of price to the extent of fifty millions. If this advance be paid, every consumer of these commodities, who commands any means of endeavour to remove the burthen from himself, at least attempts to advance the money price of whatsoever he may offer either to rent or to sell; the landlord to advance the rent of land, that he may in his receipts find a counterpoise to his additional expenditure; the tenant to advance the prices of agricultural productions, that he may recover the increase in the constituents of the costs of production: and a *favorable conjuncture*¹ enables these several parties to effect such purposes. The manufacturer, for the same reasons, *and in like manner*, advances the price of goods. The advance in money prices becomes *general*. *The attempt to regulate price by price is inseparable from the principle of barter, through the medium of a money price.*

If the supplies to a farm be increased in money price, through the direct operation of duties on such supplies, that increase of price *requires* an increase in the price of wheat and other produce; an increase in the price of wheat, *requires* an increase in the price of labor, and through the

¹ The late war presented that favorable conjuncture.

medium of labor an increase of price in every article of production in which labor combines. An increase of price in such productions *requires* a fresh and distinct advance in the price of wheat, and a further advance in wheat again *requires* an increase in the price of labor generally, and such further increase in the price of labor *should* re-act upon the price of wheat. *In like manner it is necessary that an increase of price should be communicated throughout the community.* The burthen of the duties which render necessary this new arrangement of prices, cannot be generalised or distributed, by the *simple addition of the amount of the duties*, or of the duties and the *concomitant charges*, but if effected, must be accomplished by means of the communication of the increase in price, experienced in respect of the objects directly taxed, to all national productions. Price *should be* communicated to price, or by one commodity to another, throughout the whole chain of dealing, and these increased prices act, or *should act and re-act*, one upon the other so as to effect the general and equal distribution of the burthen of the duties imposed.

The merits of this important topic may be tested thus;—

If the lands in cultivation, in the United Kingdom, be estimated at fifty millions of acres; the rate of price now *required* for the produce of the land, at six pounds per acre; and it be admitted that

one *half* the *rates of price now required, only*, would have been *required* in the year 1790, if the country had then been entirely free from debt: it follows that in respect of the *produce of the land*, money prices ought to be increased in consequence of the Public Debt, by the addition of one hundred and fifty millions; to which must be added at least twenty millions for the greater price now required for manufactured goods and other commodities, through the operation of duties rendered necessary by the debt, besides the sum of fifty millions first mentioned, as being directly incorporated in the price of Excise and Customs articles. In the aggregate, TWO HUNDRED AND TWENTY MILLIONS, OR SEVEN TIMES, nearly, the amount of the annuity paid to the public creditor. If the increase of price thus *required be obtained*, the evil is felt in the checks to industry, incident to a system of high prices. If the increase of price thus *required be not obtained*, the evil becomes aggravated, and fatal to the harmony and well-being of the community. The principle of JUSTICE, the very key-stone of the social union, is disturbed.

Without claiming for this statement more than some approximation to truth, it is obvious that the distribution of the duties through the medium of money prices cannot proceed by the *simple addition* of any given amount of impost, but if effected, proceeds by the communication of price from one commodity or class of commodities to another, and again

by the repeated action and re-action of these increased prices. *And it is equally obvious that British agricultural productions require at market, in the aggregate money price, an increase since the year 1790, very far indeed exceeding the simple or primary amount of the duties or duties and taxes, which have been imposed since that year, and that the increase of price required, although obtained under other circumstances, CANNOT now be obtained.*

The remedy for this great evil is plain and simple; namely, the practical application by the *community* as a body politic, of the principle already ingeniously and ably applied by the *individual*, of supplying the market with productions (the rights of the producer being reserved) *at the lowest possible constituents of cost.* The application of this principle in the conduct and direction of the *public business of the country*, would promptly and effectually restore the British market for the national produce, to a healthy and beneficial state.¹ The means of liquidating the claims of the public creditor, without which the present² heavy costs of production do not *fairly* admit of being materially lowered, are plain and easy, if the

¹ Applied to agriculture, it would admit and would lead to the highest rate of profit, and would of course admit of the division of profit necessary to maintain the proper rights and station of the landlord and tenant, and of sufficient and proper wages being paid to the husbandman.

² Autumn 1821.

liquidation of the debt become the object of the concurrent will and desire of the nation. The liquidation of the public debt would clear the industry and dealings of the United Kingdom of the weight of two hundred millions and upwards in the money prices *required* for commodities ; and the peculiar state of the country presents the means of effecting this object, without the risk of materially deranging the state and condition of property, or of society.¹

Under the advantage of these explanations, *the trade of the British Isles, the British trade with the dependencies of the empire, and the foreign trade*, will be considered in connexion, with a view to show the means of establishing each according to its order and bearing upon the interests of the community.

The productions of the earth are the bases of all trade, and the source of the wealth of nations.

The *British trade*, in common with the trade of all other nations, rests upon this foundation ;—but the skill and industry of the British people in the prosecution of the useful arts, combined with the great means actually developed in the distant dependencies of the British empire, enable them, not only to trade very actively within themselves, in the British Isles, and with these dependencies, but also

¹ See Appendix, D.

with foreign nations, in the products of art, as well as of nature.

It is sufficiently clear that exchanges of property, *within the limits of the British Isles*, comprehend in their nature and character, all the advantages, in respect of the national wealth and power, to be derived from trade: that the *trade of the British Isles with the dependencies of the empire*, combines similar advantages in a very considerable degree: and it is also clear that the exchanges of property *between the British empire and foreign countries*, conduce to the national wealth and power, but in a *less* degree, and subject, in the instance of each foreign country, to different and varying considerations.

By what means then can each of these important and intimately connected interests be advanced in its proper degree and proportion?

The whole of the agricultural and spontaneous productions of the British empire, in the various parts of the globe, may properly be designated British productions, which again may be reduced to two parts or divisions; namely,

The Agricultural and spontaneous productions of the British Isles.

The Agricultural and spontaneous productions of the British dependencies.

The first are the foundation and chief *internal* sources, the second are the chief *external* sources, of the national wealth and power.

The national wealth and power are weakened and repressed in these principal sources ;

By *fiscal institutions* which exceed in their purpose the current annual expenses of the State.

By *institutions or laws* which prevent the *direct* conveyance of these agricultural and spontaneous productions, from the country of production, to the country of consumption.

The *fiscal institutions* of the *United Kingdom* very considerably exceed in their character and extent, the provision necessary for the current annual expenses of the State ; and, by the great amount required to sustain the system of public annuities, particularly by the action and re-action of price upon price, or the excessive costs of production incident to the system of public annuities, bear down and baffle the utmost efforts of industry, ingenuity and skill, in the cultivation of the British Isles ;—sufficient price cannot be recovered at market to compensate labor, and to maintain the condition of the landlord and tenant. The excessive costs of production have actually cast the United Kingdom, in respect of its agriculture, into a state of severe depression, uneasiness, and distress.

The same cause affects the agricultural interests of the British dependencies,—which may be considered under four divisions ;—namely,

The Western Tropical dependencies—the West-India Islands and Settlements.

The Eastern Tropical dependencies—in Asia, and in the Indian seas.¹

The Northern dependencies—Canada, Nova Scotia, and New Brunswick.

The Southern dependencies—the Cape of Good Hope and New Holland, including Van Diemen's Land.

The agricultural interests of the Western Tropical dependencies are affected by the *high fiscal institutions*, or high revenue system of the United Kingdom, *not* by preventing the more extensive cultivation of those countries, because the law which prevents the further importation of African laborers, prescribes the limit to their cultivation ;—but by lowering the profits and checking the prosperity of the planter.

The means by which the high revenue system of the United Kingdom produces these effects, appear to be ;—

First. By repressing and lowering the extent and condition of the population of the *British Isles*, the chief market for the produce of the Western Tropical plantations.

Second. By the high duty on sugar and other productions of these dependencies, which cannot fail to check consumption.

Third. By the additional cost, incidental to the high revenue system, of the extensive annual sup-

¹ See Appendix, E.

plies derived by these dependencies from the British Isles.

Fourth. By the additional expense of conveying the produce to market.

The high revenue system of the United Kingdom does not *equally* affect the agriculture of the British Tropical Eastern dependencies.

The cost of the Eastern Tropical productions does not materially depend upon British supplies; the demand for the British Eastern productions is more *general* than for the British Western productions; and the British market being secured, chiefly, to the Western planter, the Eastern planter is not affected by the numbers and condition of the British people, in *the same degree* as the Western planter. The high revenue system of the United Kingdom *does*, however, affect the agriculture of the British Eastern dependencies;—

By repressing and lowering the extent and condition of the population of the British Isles, and consequently preventing consumption of Tropical productions grown or found in the Eastern dependencies, and either *not* grown or found, or not in sufficient extent and variety, in the Western colonies.

By the increased charges and expenses of navigation.

By the increased charges on goods passing

through the United Kingdom to foreign countries.

The high revenue system affects the agricultural and native interests of Canada, Nova Scotia, and New Brunswick ;—

By repressing and lowering the extent and condition of the population of the British Isles.

By the additional cost of the extensive supplies derived by these countries from Great Britain.

By the additional expense of navigation, and charges in British ports.

And although similar causes do not *at present* operate to *much extent* in regard to the Cape of Good Hope, and New Holland, the objections arising from the high revenue system are the same in kind, in respect of these colonies.

The extension of the privilege of direct communication between the British dependencies in the other parts of the World, as well as from the British Ports in Asia, would tend to the increase of demand upon the agriculture of those dependencies ; but whether such an extension of privilege be in any and what degree expedient, is a question involving many and various considerations, and must be determined, in each particular instance, by a careful examination in detail, and being of inferior importance, will not now be discussed.

It is sufficiently clear, then, that the interchanges of property within the British Isles, and between the several parts or members of the British Empire, and *the ease and satisfaction to arise therefrom*, will be commensurate with the relief of the country from the burthen of fiscal Institutions, and consequently, that the liquidation of the PUBLIC DEBT is an object of common and general interest, to the British subject. Unless that impediment be removed, the principles upon which the prosperity of the Empire must depend, cannot be successfully reduced to application.

Great Britain never before commanded resources so vast. In her soil productive, in her minerals rich, in her ingenuity and *industry*, unrivalled ; by her dependencies, combining the four quarters of the globe in one great commercial and maritime empire ; gradually moulding *some* of her political institutions to new and extraordinary circumstances, she is required by every sound and reasonable motive to remove the CAUSE by which, notwithstanding her riches, her ingenuity and industry, her mighty combination of means, and her political skill and sagacity, she is deeply embarrassed, and is threatened with an accumulation of distress and misery.

An examination of the principles which apply to the FOREIGN TRADE of the United Kingdom will

lead, by motives not *equally* powerful indeed, but by powerful and pressing motives, to the conclusion that the liquidation of the public debt is an object of deep interest in that bearing and relation.

The *trade of the British Empire with foreign countries*, as well as the *trade within the British Empire*, has its source in agriculture, and spontaneous or natural productions.

As it is the proper business of every country to develop its internal resources, whence the national wealth and power are chiefly to be derived ; the importations from Foreign countries, *which displace* the demand for native productions, become the subject of anxious attention ;—not in any narrow or confined spirit, not for the purpose of considering how the interest of a neighbour may be subjected to selfish views ; but for the fair and becoming purpose of enquiring into the cause of an effect so adverse, not only to the interest of the particular nation which may be immediately and directly affected, but adverse to the general prosperity of nations.

The greater the opulence which Great Britain, for instance, may derive from her agriculture, and her other copious sources of wealth, the greater her consumption, the greater her demand for the productions of climates and countries yielding productions, which notwithstanding the most ample development of her own resources, she

would require. Even the advocates for the importation of Foreign grain might, in the event, find the most extensive and satisfactory result, from a system the most effectual to the extension of British agriculture. The increase of population, and the improvement *in the condition* of the population, which would be incident to such a system, would probably, in all but very abundant seasons, render the importation of Foreign grain necessary; but whether *that* effect followed or not, the consumption of all materials of Foreign growth or production required for manufacture in the United Kingdom, and of Foreign luxuries not produced, or not produced in sufficient quantity within the Empire, would increase to great extent.

Such importations from a Foreign country are clear sources of benefit to the importing country, as well as to the exporting country;—

The grain, if required, because without *displacing* the demand for grain of native growth, it would supply the defect of crop arising from the course of seasons, or compensate for the inability of the country (if unable), in good seasons, to feed its population.

The materials for manufacture, as a medium in which to embody labor, and as affording the means of varying the ex-

citement by which the circulation of money is quickened.

Luxuries, by prompting activity, through the desire of possession, and consequently, by again quickening circulation.

In like manner, a *Foreign country*, by developing its proper resources, becomes better enabled to supply and to purchase of Great Britain, and the latter country has, consequently, an interest in the prosperity of the Foreign country.

It does not however follow that it is eligible for Great Britain to *trade with a Foreign country* at the *expense* or *sacrifice* of her natural resources. A crisis may indeed be too readily supposed, which may render it doubtful whether such a Foreign trade be, or be not, the least *in the choice of evils* ; but the existence of such a crisis must be admitted to be evidence of the depression of native industry, *and consequently of the national wealth and power being affected at the source*. Such a foreign trade may be submitted to as a temporary expedient, but the consideration of its tendency must lead to an anxious solicitude to relieve the native industry.

Under the actual circumstances of the United Kingdom, relief of the native industry may *appear* to be presented in either of two opposite modes.

By a system having for its object *the advance of the price of agricultural produce to the standard of the high costs of production.*

By a system having for its object *the reduction of the costs of production.*

The first mentioned system has been tried, and has *failed*; the United Kingdom *cannot* be wholly cut off from sympathy with the markets of Foreign Nations; and as *high* prices, if obtained by the agriculturist, render it necessary that high prices should be obtained *from* the agriculturist; as price *does*, or, in order to satisfy the ends of political justice, *ought* to engender price, the case cannot safely be supposed in which the effectual and permanent relief of British industry could be obtained by means of a system of *high prices.*

A system of *low constituents of cost*, on the contrary, would assure the accomplishment of its purpose.

That system, carried to sufficient extent, would render a moderate price for agricultural productions a *high bounty* upon production, and would stimulate the United Kingdom, and its vast dependencies, into the fullest and most beneficial activity: beneficial, not to the British Empire only, but to all Nations. That system would most effectually and permanently establish a system of interchange with Foreign countries, by enabling

the British to supply the Foreign subject at the lowest rates of price consistent with the rights (as to profit) of the agriculturist and manufacturer, and by rendering necessary for the purposes of the British manufacturer, and for the general consumer, the largest importations of Foreign products.

The encouragement and extension of the *Foreign trade* of the United Kingdom, therefore, depend essentially upon the abandonment of the high revenue system, or the Liquidation of the Public Debt. Without the previous liberation of the trade, or of the interchange of property *within the British Empire*, from the heavy restraints imposed by the high revenue system, how can the freedom of *Foreign trade* become the subject of liberal and enlightened discussion (although considerable benefit may be derived from enquiry) with the probability of any result *effectual* to the well-being of the agriculturist, the merchant or trader, whether domestic, colonial, Foreign, or of any other character or description?

The "Free trade" required, is then—

First—The freedom of interchange of property within the British Isles, from the great and depressing weight produced by the subtle and various, the direct and indirect, the accumulated and aggravated action of the duties and taxes required for payment of the public annuities.

Second—The same freedom in respect of the

interchange of property between the several parts or members of the British Empire.

Third—The utmost freedom in respect of the interchange of property between the British Empire and Foreign countries, consistent with the conservation and ascendancy of the British marine, and a reasonable regard to the stability or probable continuance of the Trade with the several foreign countries.

The principle of “Free Trade,” so applied, appears to be calculated to produce a greater sum of wealth, prosperity and *power*, than has ever been enjoyed, by this or any other Nation.—Each class, under this system, would advance the interest of each and of all classes, throughout the social polity; a general facility of interchange, throughout this Empire, would stimulate exertion, assure general abundance, and a constantly increasing consumption.—The same principle, although modified, would, in its degree, produce the like effect in respect of the interchanges with *Foreign countries*; and the British Nation, in the enjoyment of her own vast resources, would illustrate by her example to all the Nations of the Earth, the excellence and the wisdom of an enlarged benevolence in political design and comprehensive simplicity in Political Institution.

APPENDIX A. (P. 11.)

THE consequences of the *interruption of demand* in markets which the British manufacturer may be accustomed to supply, and of the *interruption of supplies* of the material for manufacture, for which he may be dependent upon Foreign countries, are of a grave and anxious description. The vast establishments by means of which, only, the United Kingdom is enabled to maintain competition in the sale of manufactured goods in Foreign markets, notwithstanding the high revenue system, cannot be suspended or even partially interrupted, without producing considerable inconvenience, loss and misery. The Nation has been repeatedly cast into a convulsive state, during the last thirty years, by the interruption of *Foreign demand* for goods of British manufacture, and of *Foreign supplies* of material for the manufacturer; and the exposure to similar calamities cannot be overlooked in any just estimate of the nature and value of *Foreign commercial connexion*. Constancy of pursuit in the individual, *is essential to the well-being of the community*. A trade with a country peculiarly exposed to the chances of interruption, cannot therefore be equally desired as a trade with a country not subject to the same chances. *Upon this principle*, a trade with Portugal, the Brazils, and other parts of South America, is to be sought and cultivated with solicitude, whilst a Trade with some other countries, may be viewed with comparative indifference.

The effect of conducting the interchanges of property in *British shipping*, is the invigoration of the arm upon which the United Kingdom relies for protection and defence. The effect of conducting these interchanges in *Foreign shipping*, on the contrary, is the creation or invigoration of an arm, but too probably to be met, under a

change of circumstances, in adverse and hostile contention. These distinctions cannot be overlooked in any comparative estimate of the nature and value of trade.

APPENDIX B. (P. 16.)

THE British Nation, in abandoning the further transport of Africans from their native country, to labor as slaves in their plantations, could not have intended and really did not intend, to transfer to other and rival nations, the power in wealth and navigation, which results from the cultivation of the Tropical countries for commodities of great bulk, particularly sugar, to be consumed at considerable maritime distance from the place of growth. It could not consist with the humane purpose of the abolition of the British Trade in Slaves, and was not in fact intended, that the care of the unhappy African, upon the middle passage, should simply be transferred from the British trader, acting under the provisions of the British Legislature and the eye of the British Government, to Foreign Nations. But, notwithstanding the efforts which have been made by the British Government, to induce other countries to renounce this trade, and the extent to which it actually has been renounced by Foreign Nations, the transport of Africans from their native country, for the cultivation of the Western Tropical regions, is a practice still prevailing in great and dreadful energy.

APPENDIX C. (P. 18.)

AN account of the quantities of wheat, and wheat flour, imported into Great Britain from Foreign parts, and also of wheat, and wheat flour, exported from Great Britain during each of the last five years, reducing the flour into

wheat, at the proportion of 49lbs. of flour to the bushel of wheat, and showing the quantity thereof, that was added to the consumption of the country from excess of import.

	Wheat and flour imported from Foreign Parts.	Wheat and flour exported to all Parts.	Average price in Eng- land and Wales.
	Quarters.	Quarters.	per Quarter.
			s. d.
Year 1815	192,449	227,947	64. 4.
1816	209,654	121,610	75. 10.
1817	1,029,037	317,523	94. 9.
1818	1,582,878	58,668	84. 1.
1819	469,657	44,689	73. 0.
	3,483,675	770,437	
Deduct quantity remaining in ware- house on the 5th Jan. 1820, no stock being under the King's lock, at the commencement of the year 1815.	324,546		
	3,159,129		
Deduct quantity exported.	770,437		
	5) 2,388,692		
Average quantity added to the con- sumption of the country from excess of import.	477,738		
26th May, 1820.	(Signed)	WILLIAM IRVING.	

APPENDIX D. (P. 25.)

THE proposal, which has for its object the relief of the productions and goods annually consumed in the United Kingdom, from an aggregate of *cost* equal, probably, to two hundred millions and upwards, cannot fail, from its magnitude, to be received with apprehension of an inconvenient and dangerous disturbance of the state and condition of property, and of society.

It may, however, with great ease be shown, that the alteration, with only slight exception, might be effected in a manner not only free from such consequences, but with the assurance of consequences *immediately*, and *generally* as well as *progressively*, beneficial.

The object contemplated, is the cessation of the demand of upwards of forty millions annually, chiefly duties of Excise and Customs.

The *immediate effect* of the repeal of the duties of *Excise*, or *joint duties* of *Excise* and *Customs*, would be beneficial to the dealer, because the duty on the stock on hand, which he might have paid to the Exchequer, would be returned to him; and to the public would be beneficial, because all future supplies of such descriptions of stock or goods would be obtained at proportionally less cost.

The repeal of duties of Customs, *simply*, would require more attentive consideration; but would admit of being accommodated to the convenience of the dealers in the several articles subject to such duties, who would have little difficulty in meeting any well considered proposal for the permanent relief of their respective trades, and of the community.¹ With regard to the *immediate effect* of the

¹ The Excise Board has an account of the *stock of goods* in the

remission of these duties upon the consumer, there could not be any difficulty;—the relief would be general and effectual.

The *ulterior* effect in the reduction of the price of agricultural productions, requires to be met with some caution, and the regulation of the importation of Foreign grain appears to present adequate means for this purpose.

If the relation of supply and demand immediately regulate price, the introduction of Foreign corn to the British market admits of being so guarded, as to assure to the British grower a high and *beneficial* price, *provided the costs of production be not excessive.*

To this end it would be necessary that the standard of price which now governs the importation of *Foreign* grain, should not be lowered until the *costs of British* production should be *considerably lowered*; *until crops produced at the higher costs of production should have been consumed, and replaced by crops produced at costs clearly and distinctly admitting the competition of Foreign corn, at a rate somewhat lower than the present regulation admits*; and in like manner, as the costs of production should still more subside, the regulation price of the importation of Foreign grain might be lowered from time to time, until a proper level should have been ascertained and fixed. By which order of proceeding, the price of corn might be sufficiently maintained to cover the costs of production and with the probable effect of affording a decided advantage, where every consideration, both individual and national, requires that the advantage should be given, namely to the landlord and

hands of dealers whereon duty has been paid, and the return of duty could therefore be easily regulated.

The Board of Customs does not keep a similar check.

tenant ; because the reduction of the import regulation price, might be made gradually, and rather slowly, to *follow* the reduction of the costs of production ; at all times assuring a reasonable and liberal rate of RENT.

In the operation of a few years, prices would, in this manner, subside to the lowest rate consistent with proper compensation to capital and labor, the adequate support of the Government of a great country, and the return of a *liberal* rent to the proprietor. The *costs of production* would be *low*, which would fairly and freely admit of the prices at market, *relatively to the costs*, being *high*.

Although eight shillings be *positively* a *high* price for a bushel of wheat, yet, *if the costs of production require nine shillings* it is *relatively* a *low* price, and such a state of market would be ruinous ; whilst on the other hand, if the price were five shillings, and the costs of production four shillings, per bushel, the market would be beneficial. It does not admit of question, that the principle which directs the anxious reduction of the constituents of *cost*, whether such costs be, in their origin, *public* or *private*, is the foundation of the science of political economy.

The danger of a system of high constituents of cost, may be illustrated by considering the possible effect of a bad harvest upon the state of the country under the present circumstances.

On the supposition of forty shillings per quarter for wheat, being a sufficient price in good seasons, the excitement to importation by the Foreign merchant would not be sufficient to prevent an advance to 48s. 50s. and upwards, in the event of a bad harvest ; the farmer would reap only two-thirds or half a crop, but he would obtain a proportional advance in price : concurrently with the disadvan-

tages, he would have the advantages of a natural course of things. But not so in the actual state of things, in which a high comparative price (comparative as to neighbouring nations) for the quarter of wheat, *in good seasons*, does not adequately sustain the farmer. The high price, in the British market, strongly excites and stimulates the Foreign merchant: vast masses of grain are brought into British *ports*, in the anticipation of its admission into the British *market*; the difference between the price at which wheat can be imported, and the price which the British market yields, is a strong and perhaps irresistible impulse to store the British granaries with Foreign corn, upon the chance of its admission into the market. The Foreign granaries may at the same time be well supplied, under the like expectation. On the instant that the effect of the domestic calamity of a bad harvest, shall have been so felt as to have carried the periodical average to the price of 80s. per quarter, the farmer, so far from finding an alleviation of the misfortune of a short crop in an increase of price, might, by the large and instant supplies of Foreign grain thrown into the great maritime markets of the kingdom, particularly London, find, that although the price of 80s. had caused the ports to “open,” the “opening of the ports” had again reduced the market price of wheat. Had the ports opened this season,¹ it is believed that half a million of quarters of Foreign wheat would have been released from the British granary. Whatever proportion half a million of quarters of wheat may bear to a year’s consumption, the effect upon the market price cannot be measured by regard to that particular only: it may fairly be presumed that a large and concentrated supply would have an effect

¹ Autumn 1821.

upon the market far more than commensurate with the mere question of relative quantity, and the half million of quarters now here, would presently have been followed by successive and larger supplies. If then it should happen that the British farmer could not realise eighty shillings per quarter, from a *bad harvest*, or that he could not even obtain a considerable advance upon eighty shillings under circumstances which ought to produce to him a very large advance, what would be the state of all British property?

Under such circumstances,

If the farmer could even pay rates and taxes, what expectation could the landlord (looking to the farmer's already reduced and altered state) entertain of obtaining *any* rent?

If the landlord do not obtain his rent, what must be the effect upon markets of every description, upon the manufacturer, ship-owner, and upon the revenue?

Is the supposition strained, that under such circumstances the public annuitant could not be paid?

And,

. If not paid, what again would be the effect upon consumption, book debts, and the revenue? upon the Domestic and Foreign trade of the country?

Or even if wheat *should* advance, contrary to the supposition now entertained, to 120s. and 130s. per quarter, what would be the effect of a correspondent price of bread, upon all classes and orders? and again, upon the Domestic and Foreign trade of the country?

The EARL OF LIVERPOOL, in the Speech which his Lordship delivered in the House of Lords, on the 26th of

May, 1820, upon the motion of the Marquis of Lansdown ; —“ That a select committee be appointed to enquire into the means of extending and securing the Foreign trade of the country”—expresses himself as follows ;—

“ The Noble Marquis also truly says, that this general distress is to be ascribed to the *extraordinary convulsions* in Europe during the last twenty years ; *convulsions* which unhinged all the natural relations between nation and nation, and even between man and man ; *convulsions* which have produced the most extensive effects both on nations and individuals. Unquestionably, it was impossible but that the instability of property, the creation of fictitious capital, and all the other evils which arose during those *convulsions*, should operate in the production of great distress in every country, long after the re-establishment of peace should have caused the *convulsions* themselves to cease.

“ But the peculiar circumstances of the times—that to which I wish particularly to direct the attention of your Lordships, and of the whole kingdom, is this,—that, great as the distress is in every country in Europe, (and certainly it prevails more or less in every country in Europe,) it is, nevertheless, at the present moment greater in the United States of America than it is in any country in Europe. I desire any of your Lordships, or any other individuals who may be disposed to ascribe the distress under which we at present labor, to our *debt*, to *excessive taxation*, to *tithes*, to the *poor-rates*, or to any cause of that nature, to look at the United States of America ; and I think that they will then pause before they ascribe the distress which we, or any of the other countries of Europe, are now suffering, exclusively or principally, to any or all the causes which I have mentioned.”

The opinions and sentiments of Lord Liverpool are invested with the authority of experience, of station, and of talent ; and the deep impression produced, in particular, by his Lordship's Speech upon Lord Lansdown's motion, gives additional interest to the examination of the important topic of that speech embraced by the passage now cited.

LORD LIVERPOOL states, that " great as the distress is in every country in Europe, it is nevertheless greater in the United States of America, than it is in any country in Europe," and then proceeds to desire Noble Lords, or any other individual, " who may be disposed to ascribe the distress under which we at present labor, to our *debts*, to *excessive taxation*, to *tithes*, to the *poor-rates*, or to any other cause of this nature, to look at the United States of America;" and his Lordship adds, " I think that they will then pause before they ascribe the distress which we, or any of the other countries of Europe are now suffering, exclusively or principally, to any or all the causes which I have mentioned."

An individual who *did* ascribe and who *continues to ascribe* the distress of this country to the *Public Debt*, to *excessive Taxation*, and to the *Poor Rates*, has paused and examined the argument thus publicly and generally addressed and directed, by the First Minister of the country.

He admits (his observations having reference to the date of his Lordship's Speech) that distress had been common to the United Kingdom, and to the United States of America ; but although each country suffered distress, the two countries stood directly *opposed* to each other in the *particular the most essential to internal national prosperity*.

The United States of America *did not possess within themselves an adequate market for their agricultural productions*, and they were deprived, by the Peace, to considerable extent, of the external markets which they had been accustomed to supply.

The United Kingdom, on the contrary, as shown in Appendix C. cited from his Lordship's Speech, had enjoyed the great advantage of a market *within herself for more than the whole of her agricultural productions*,¹ and she had received in her own market a price very far exceeding the price of such produce in any other market of the world.

How then is a *similar effect* to be accounted for under the operation of causes so opposite? Some distinct, powerful, and *evil* principle, must be assigned to account for this correspondence in result, AND THAT PRINCIPLE IS DISCOVERABLE IN THE PUBLIC DEBT ONLY. What has occasioned the necessity of high prices in the markets of the United Kingdom for agricultural produce? What has deprived even very high prices for agricultural produce, of the power of adequately sustaining the farmer, the husbandman, and the land-owner? Does this gross anomaly admit of any other explanation than such as shall resolve itself into the operation of the public debt? No country in the world, the state of which is known and understood, is comparable with Great Britain, in the relative extent of market which she enjoys *within herself* for her agricultural productions. No country in the world possesses markets of equal opulence and power in the purchase and consumption of native agricultural productions. No country in the world is comparable to the United Kingdom, in the high proportion which the inhabitants of the town bear to the agricultural population.

¹ See Appendix, C. p. 39.

Neither the state or condition of a distant and new country, nor the vibrations of the balance of Foreign trade, can adequately account for the agricultural distress of the nation under such circumstances. The cause is deep—seated within the country, and it operates by the increase and excessive aggravation of the *costs* of production, by means of the high revenue system incident to the Public Debt.

Mr. Malthus,¹ at the same time declaring that he is far from being insensible to the evil of a great national debt (p. 484) has at some length shown the effect which would follow from the abstraction from society (and consequently from the market for productions) of the *unproductive consumers*, who derive their income through the medium of the Public Debt; and under this view has advanced the opinion, that the evils incident to a public debt cannot be prevented, without subjecting the community to an evil of still greater magnitude, in the want of *unproductive consumers*.

With great deference to the authority of Mr. Malthus, it is submitted, that the consequence apprehended by him, although an unquestionable consequence of the use of the “sponge,” or the *extinction* of that class of consumers, could not ensue from any *well-principled* and *systematic* liquidation of the Public Debt.

The number of consumers would, in such case, remain exactly the same, although the description or character of the public annuitant might be exchanged for that of a

¹ Principles of Political Economy, ch. vii sec. 9.

landholder, or mortgagee of land, or that of a creditor of a Bank of deposit, as proposed "Further Observations on the propriety and expediency of liquidating the Public Debt," or to some other description or character arising from the possession and command of property.

The public creditor or annuitant is *not* strictly speaking a proprietor; but considering him to be such, the liquidation of the Public Debt would neither add to the capital of the country, nor diminish the number of proprietors; although, in simplifying the circulation of money, it would vary the relation of the public annuitant from a position which bears destructively upon the best interests of the country, to some other relation *more* beneficial to *himself*, and of a benevolent aspect towards the community. The *mode* by which the distribution of income would be effected, would be varied from extreme complexity to simplicity, without disturbing the *comparative* position of the different classes of proprietors in respect of *income*, but not without *essential improvement and advantage to every description of proprietor*, including the public annuitant.

The public creditor, who now requires and receives an income, through the medium of duties, is a party to a system which without the ambitious reach, or malign disposition, or even the intention, has the effect of the most subtle and severe tyranny. The claim of the public creditor can only be satisfied, under the present system, *by means of the successful exertion of the industry of the country*. The levy of money for the satisfaction of the public creditor, *through the medium of duties*, by rendering increased money prices for the national productions necessary, *opposes the interchange of property, by preventing production at low costs*; and the great amount, now required

in respect of the public creditor, has the effect of oppressing with severe difficulty, nearly all who are engaged in the business of agriculture, and materially affects the manufacturer. Can a class of persons, *deriving an income through such means*, in any point of view *be necessary*? Can it be deemed *reasonable* or *right*, that the hand of industry should be paralysed by means of the very parties who demand, not only sustenance and support, but the maintenance of a princely bearing from that very hand?

The effect of the liquidation of the Public Debt, upon the plan which has been proposed, could not lower the power to consume in *any* individual now entitled to income in the way of a public annuity. Such persons are fairly and fully entitled to be maintained in the comparative situation, as to income, which they now occupy, and any proposition which might imply a deviation from that principle, ought at once to be rejected. The object proposed by the liquidation of the Public Debt is, not the relief of one class at the expense of another, but the *relief and improvement of the condition of all*; and that relief would be effected, in the first instance, by rendering *unnecessary* a considerable part of the amount now annually levied in respect of the Public Debt, and by levying the remainder directly upon property, either annually, or in a sum to be received in full and final satisfaction of the claim in respect of the debt, as might be best adapted to the situation and disposition of individual proprietors. By which means the great increase of money price now rendered necessary, in respect of all national productions and imported commodities, would no longer be required, excepting that some caution and guard, as already suggested, might be considered prudent to prevent any other than a somewhat gradual return to a

standard of low money prices, in regard to *agricultural productions*.

The able author of the remarks upon the “Further Observations upon the practicability and expediency of liquidating the Public Debt, &c.” in the MONTHLY EDINBURGH REVIEW, No. XVIII.¹ insists much upon the difficulty of carrying the proposed plan into effect.

Sensible of the state of the country, this writer appears justly to apprehend, that any considerable *additional impost*, in what form soever it might be attempted, could not be paid; and—denying that the proposer of the plan had succeeded in showing that extensive relief from duties, or from duties and taxes, would *precede* any actual levy in respect of the liquidation of the Public Debt—objects that the plan is impracticable because the contribution to be required *could not be paid*.

It is admitted to be essential to the practicability of the plan, that extensive relief from public burthens *should precede* any actual levy; and explanation is due, not only on account of the importance of this point in its bearing upon the question, but is also due to the respectable quarter in which the objection originates.

The dividends on stock are payable on the 5th of January, 5th of April, 5th of July, and 10th of October, and with the interest on the unfunded debt amount to 32 millions annually.

It will be supposed that the liquidation of the Public Debt, upon the outline of the plan which has been suggested, had been adopted as a legislative measure, to take effect from the 5th of January, 1822, and that the divi-

¹ Now published QUARTERLY, and designated the New Edinburgh Review.

dends payable on that day, had been provided from the ordinary sources of revenue.¹

In this case, the demand for *future* dividends and interest on unfunded debt, would very little exceed twenty-seven millions, and the public would thenceforward be relieved from demand; £.

In respect of the public creditor, (his contribution of 15 per cent.)	4,900,000
Sinking Fund,	5,000,000
15 per cent. upon public appointments, estimated—together with the decline in the price of stores for the public service, incident to the reduction of duties—at	4,000,000
Together	<u>£13,900,000</u>

The demand of fourteen millions nearly, for the annual public service, would *utterly cease* from the 5th of January, 1822, and consequently, *provided the Sinking Fund be efficient to the extent of five millions*, duties, or duties and taxes, to the extent of fourteen millions, nearly, would be remitted from the same date. If the Sinking Fund be not efficient to that extent, the remission of duties or duties and taxes, must be limited accordingly.

The duties or duties and taxes, to be thus remitted, whether extending to fourteen millions or limited to nine millions, or extending to some intermediate sum, would *clearly precede* all demand in respect of the liquidation of the Public Debt.

The demand, in respect of property, would be Three hundred and seventy-five millions, or, after the rate of Eighteen millions seven hundred and fifty thousand pounds per annum, at the option of the contributor.

¹ Written in 1821.

To the further and great extent of this last mentioned sum, 18,750,000*l.* also, would duties or duties and taxes, in the case supposed, of the adoption of the plan for the liquidation of the Public Debt, be remitted, from the same 5th of January, and this *further* relief would consequently equally *precede* all demand in respect of the liquidation of the Debt. That sum would no longer be required by the onerous and destructive mode of levy by duties, and the remission of duties or duties and taxes, to the extent of these combined sums, *approaching to or exceeding thirty millions per annum*, combined with the assurance of further and final relief from the burthen of the Public Debt, could not fail to give spirit and vigor and *power* to the country, and would well prepare, dispose and *enable* it to bear the demand of the contribution to be required in respect of property.

Contributors in respect of *property*, would divide themselves into two classes—

Contributors who would pay the principal sum required of them.¹

Contributors who would elect to pay the interest of 5

¹ This class could not fail to be very extensive; all persons possessing Government Stock *and also other* property, would *cancel stock* in the proportion necessary to the relief of that *other* property from the assessment thereon. A landholder having one million value in land, would, in such respect, be assessed 150,000*l.* Having also 300,000*l.* 5 per cent. stock, the *Government* would *cancel 45,000*l.* stock*, in respect of the *assessment on stock*, and *he would himself* (in preference to paying 5 per cent. per annum on the assessment of 150,000*l.*) *cancel 150,000*l.* more of the stock*;—by which means he would, in great measure, effect the deliverance of his land from the destructive effect of the present system of finance, reserving his right to 105,000*l.* stock, the amount of which he would receive in the progress of the liquidation of the public debt.

per cent., upon the sums assessed upon them, respectively in lieu of paying the principal sum.

In respect of the first class, the relief of the country would be full, final and effectual; an equal amount of stock would by means of such contribution be extinguished, and no provision for the payment of future dividends on such stock, would be required.

Contributors who should elect to pay interest in lieu of paying the principal sum assessed, give occasion to some care and arrangement, but do not present any difficulty.

They allow the proportion of the Public Debt or Stock to be liquidated by them, to remain undischarged, and a sum equal to the dividend upon such stock must therefore be provided; the duties which were imposed for that purpose are remitted to the country, and to enable the Government to pay such dividends recourse must be had to the interest to be paid by them. The position does not involve any difficulty: before the first half-yearly payment of interest could become due, the contributors would have found more than commensurate relief in the general remission of duties and the improved state of the country; and if, as must be supposed, the collection could not be made *in sufficient time* for the payment of the half-yearly dividends, an issue of Exchequer Bills in anticipation of such receipt, would enable the Government to act temperately, considerately and feelingly, in the collection of the contribution, and under the circumstances supposed, would not be unwelcome to the monied part of the community. The *relief* would, as matter of course, *precede* the *demand*, and *in addition*, any reasonable extension of time for the payment of the contributions might with facility be accorded, where required.

It is also objected by the same REVIEWER, notwithstanding the particular explanation of the AUTHOR upon that part of the subject, that great inconvenience would arise from the liquidation of the Public Debt, to many descriptions of persons now entitled to an annuity from the public.

Some care and attention on the part of the annuitant would, of course, become necessary ; because in lieu of an annuity derived from the whole of the labor and exertion of the country and guaranteed by the State, he would find it necessary to invest his capital in property, to be let to a tenant upon whom he would have to depend for rent, or he would himself employ the capital, or he would advance his capital on the security of a mortgage ; or upon the supposition of a Bank of Deposit being established, he would advance it on loan to such Bank ; in either of which cases his situation would assimilate to his present situation, but with this material difference—that he would *lend*, not, *sink* his capital. The money which he would advance to the Bank of Deposit, the Bank would again *lend*, and the borrower, having the use of the capital, would be justly called upon to pay the interest. The *original lender* would be secure under the engagement of the Bank, and the *borrower* would enjoy the use of the money. The contract would be of advantage to all the parties concerned in it ; and *no* disadvantage to the public, in respect of the money price of commodities, or in any other respect, could be justly apprehended. As the liquidation of the Public Debt would not create, or in any manner add to, capital, but would powerfully tend to create demand for it, it does not appear reasonable to doubt that security for such capital as the proprietor might not himself choose to employ, would be presented in some one of the recog-

nised forms of security, or that if a new mode or form of security should be required for the convenience of society, the resource and ingenuity of the country would be found equal to such purpose, without, as at present, bearing down and destroying the interests of the agricultural orders and lowering and distressing every other active and real interest of this great, and otherwise, most powerful community.

The REVIEWER also repeats the objection previously urged by him, that a remainder of 350 millions of debt would continue after the proposed measure should have been carried into effect.

In repeating this objection the Reviewer appears not to regard the consideration urged by the AUTHOR, that in the event of the 3 per cent. and other lower annuities being paid off, not at the par of 100*l.*, but at a market rate of price, the sum of 350 millions, supposed to remain unliquidated, might be very sensibly reduced; that the whole of the property to be remitted to the United Kingdom from the British Dependencies, and all British property to be received from Foreign countries, would be the separate and additional subject of contribution; that an increase of revenue might be expected from the repression of illicit trade; and that the decreasing dividends on stock, with a revenue (after being reduced to a certain low standard) *not* decreasing, but probably greatly increasing with the increasing exertions of the country, would constitute an *effective* Sinking Fund for the final subjection and extinction of the Debt.

These considerations appear to the Author, to be quite sufficient to allay the apprehension of the continuance of any portion of the Public Debt, beyond a period of time such as may be considered rather in the nature of recommendation than objection to the Author's views, since, although *great immediate relief would be experienced*, the advantage of time would be obtained for the progressive completion of the measure.

APPENDIX E. (p. 28.)

THE *Eastern* Tropical dependencies are strongly distinguished from the *Western* Tropical dependencies of the Empire.

The cultivation of the *Western* dependencies is limited by the prevention of the further importation of laborers from the continent of Africa, and the laborers who are actually employed, are slaves of considerable price, and whose maintenance is very expensive.

The *Eastern* dependencies are cultivated, chiefly, by *native free subjects*, unlimited in number, of the most frugal habits, and who submit to labor at the lowest rate of compensation.

The excellence and great value of Tropical productions; the general demand for, and vast consumption of these productions, especially in Europe; the great extent, fertility and variety of the British Tropical *Eastern* dependencies; the ingenuity and industry of the inhabitants, *the remarkably cheap rate of labor*, the great *bulk* of their productions, and their *maritime distance*, concur to render

the agriculture of the Asiatic dependencies of the British Empire, the subject of deep interest. It is, at the same time, unquestionable, that the *British West India planter* is entitled to the effective support and protection of the British Government.

He (the West India planter) has embarked great capital in situations peculiarly exposed to difficulty and hazard ; his plantation or farm is a source of consumption, to great extent, of British produce and manufactures ; the property created by his capital, industry and skill, is of great annual amount ; his employment of British shipping is extensive ; the business which he transacts with the British merchant very considerable ;—he administers extensively to the comforts and satisfactions of life by the description of produce which he carries to market, and his income is, to great extent, expended within the British Isles. The plantations in the West have been the anxious object of conquest and legislation ; the property which is embarked in these plantations may be considered to have been so embarked under the peculiar favor and encouragement of the State, and not only *property*, but the *condition of the numerous laborers employed therein*, depend upon the well-being of the planter.

But however forcible and even imperative the various considerations which entitle the British Western Tropical planter to effective support and protection, it may be difficult, if not *impracticable*, materially to extend the *Foreign* market for his productions, at the *rate of cost* at which they are *now* produced. Even the British markets require high additional duties upon sugar, and other Tropical productions of Foreign and of *British Asiatic* growth, to assure the preference to the British Western planter.

In the mean time, the cultivation of sugar and coffee in Louisiana, Cuba, the Brazils, and other Foreign Tropical countries, receives considerable impulse, excites a distressing energy in the Foreign trade in slaves, and invigorates the Foreign marine, particularly the marine of the United States of America.

The vast supplies of Tropical produce demanded by the Northern and Southern divisions of the globe (chiefly by the Northern) are derived either from the British dependencies in the West, the British dependencies in the East, or from Foreign territory in the West or East.

The opposing and rival interests which spring from these several sources, involve the *question of the Trade in Slaves*, and *eventually*, the question of the *Ascendancy of Nations*.

In this great contest, the conservation of the *Western Tropical dependencies* is the first object of solicitude. It is more important to *preserve*, than to *excite and create*.

The care of the Western Colonial interests is the natural duty of the several States, in connexion with the several colonies: not as an interest in common, but as the *separate* interest of each State in respect of its own colony. The markets of the respective countries having colonies, is the only sure resource for the sale of their productions, and upon the consumption of such markets, the conservation of the Western colonies essentially depends.

Beyond this boundary, the more enlarged course of policy arising from the independence of the United States of America, the incipient independence of the Southern

division of America, and the facilities of intercourse with the East, do not appear to admit of protection being extended to the Western colonies. Except the market of the parent State and its dependencies (if any) demanding Tropical supplies, the whole world is a market for the competition of the Eastern and Western planter; and in this contest it is evident, that *with the advantage of European instruction*, superadded to his other advantages, the Eastern planter must predominate.

The assurance of this result rests chiefly upon the low rate of Eastern labor, and which is not counterpoised by the greater maritime distance of India, from the great market of Europe. If a pound of cotton wool cost 3*d.* or 4*d.* in India, in Carolina 8*d.* or 9*d.*; the addition of one penny per pound to the cost of the East India¹ cotton wool, on account of the greater distance, will not prevent a decided preference for the Indian production. Upon this scale, or any approximation to it, the Western planter must yield the market to the productions of India, unless the superior *quality* of the Western production should compensate for the higher price.

The British Asiatic planter, who occupies the more fruitful, as well as the more extensive Tropical countries of the East, can only be considered to have been in European connexion in respect of *rice*, *cotton-wool* and *sugar*, since the reduction of the East India Company's chartered rights, in the year 1814. The previous heavy freight, charges and *delay*, held in severe check the importation of these productions. The progress which has been made since that period, in the introduction of these commodities into the market of Europe, already presses with great effect, and

¹ Supposing a halfpenny per pound freight from Carolina and 1½*d.* per pound from India.

plainly indicates the further consequences of this distressing competition to the Western planter, if not adequately protected by the parent State.

The Spanish Western colonies and the Brazils, have not the advantage of adequate markets for the sale of their produce in the European States with which they are, respectively, immediately connected; and the Southern division of the *United States of America*, notwithstanding the increasing population of these States, depend, for a market, chiefly upon Foreign countries; and are, consequently, exposed to the risk of severe check in their agriculture.

The French, Dutch, Danish and Swedish Western colonies, are, probably, sufficiently protected by the markets of their respective countries.

The *British* Western colonies have the advantage of the great market of the British Isles, and the market of the British Northern dependencies. These are close markets, nearly, for the chief productions of these colonies. In addition, the markets of the continent of Europe demand supplies of British Western colonial produce;¹ but those markets being freely supplied with Tropical productions, by connected colonies, by the Eastern British dependencies and by Foreign countries, reliance cannot safely be placed, by the British Western planter, upon the European continental markets. It is clear that the British West India planter can only *safely* and *assuredly* calculate upon the markets of the British Isles and of the British North American dependencies. The British Government commands no other markets, and by an act of power only can the Western planter be protected even in those markets. Upon a principle of broad and open competition his great

¹ Chiefly sugar refined in Great Britain.

and valuable interests must give way to less expensive systems of management.

Having then these advantages, if the market of consumption do not accord an adequate price to the British Western planter, it is evident either that the production exceeds the demand, *or* that the *costs* of production, as in the instance of British corn, are too heavy to be recovered at market.

Without attempting any nice definition in this respect, it is clear that the reduction of the revenue system of the United Kingdom is an object anxiously to be desired by the West-India planter. Upon the substitution of a low for a high revenue system he depends ;—

For the extension of market by the increase *and improved condition of the people of the United Kingdom.*

For the extension of market *by lowering the duties on his productions.*

For the reduction of the cost of the extensive supplies for which he is compelled to resort to the United Kingdom.

For the reduction of the costs of Navigation, and other charges of transit.

With these powerful assistances, the British Western Tropical dependencies, notwithstanding the superior comparative means of the Eastern planter, would promise to be a continued source of individual prosperity and of national power. *Without* such assistances, the depression of the British Western Tropical agriculture must be expected to add to and to aggravate the national distress resulting from the state of the agriculture of the British Isles.

The British Western Tropical dependencies being however supposed to be thus relieved, and their interests secured by the only means which appear calculated to relieve and secure them, namely,

By the extension or increase of British consumption and the reduction of charge and expense, by means of the *reduction of the British revenue system, or the liquidation of the Public Debt of the United Kingdom*, and by the special protection of the State ; the agriculture of the British *Eastern* dependencies, becomes a distinct and unembarrassed consideration, and unquestionably presents an object fraught with the most important bearings and consequences.

The ascendancy of Great Britain depends upon her *Marine*, and her *Marine* depends upon the *bulk* of the commodities of which she is the carrier, and the *distance* to or from which such commodities be carried, combining the consideration of the nature of the climate which she may visit.

The Eastern parts of Asia are highly fruitful in most of the *bulky*, as well as the more refined productions, which Europe demands from Tropical countries ; and those parts of Asia are not only the *most distant of the Tropical countries*, but are, to vast extent, a portion of the British Empire. The bulky Tropical productions are demanded in quantities so considerable, as to render their carriage a chief source of maritime power ; and although Tropical climates, generally speaking, are not favorable to the health of strangers, the effect of a change of climate upon the European constitution, has been mitigated by care and professional skill, and seamen seasoned to such climates by the intercourse of trade, are the best calculated to defend their country, in the same climates, in the day of trial.

The chief bulky Tropical productions are saltpetre, pepper, rice, indigo, cotton-wool, sugar, coffee and tobacco. These commodities, if wholly derived from the *Western*

division of the globe, would keep in constant employ sufficient shipping and seamen to render the nation, which should convey to market a large proportion of the whole, a *great* maritime power. The same commodities, if derived wholly from the *Eastern* division of the globe, would keep in as constant employ an increase of shipping and seamen, extending to double, or nearly double, the quantity and number ; and *in this view*, the advantage of the employment is commensurate with the increase of distance.

Are then Foreign nations to be supplied with these Tropical Productions from the Western or from the Eastern divisions of the globe ?

Are they to be supplied through the medium of the British or Foreign flag ?

Are they to be supplied by means of the labor of slaves employed on the soil of other countries, or by means of the labor of native, free, British subjects, employed on British territory ?

Two things being premised, the conclusion is direct and unavoidable.

Provided the British Western interests be fully protected, and provided these commodities can be delivered at market of *equal quality* and at *equal price*, the duty and the policy of Great Britain cannot be mistaken. By supplying and conveying Tropical productions from her own dominions in the East, she obtains for her own subject, the preference of employment in the production of the commodity required ; she *prevents* a Foreign demand for *slave labor*, and she displaces *one Foreign ship* by the substitution of *two British ships*. *Two* cargoes of cotton or other produce may be conveyed to Europe from the *West*, in the time which would be required to convey one such cargo from the *East*.

It has already been endeavoured to be shown, that the British Western interests admit of full and complete protection, consistently with the extension of the demand upon Asia for Tropical supplies ;—the questions of quality and price only, therefore, remain to be noticed.

Saltpetre, pepper, indigo, rice, cotton wool, sugar, coffee and tobacco, are the chief of the *bulky* Tropical productions.

Saltpetre and *pepper* are not the subject of competition between the West and the East, the first being entirely, and the second almost exclusively, derived from the East. *Indigo*, which was formerly derived, with trifling exception, from *Foreign Colonies* in the West, has been cultivated under the fostering hand of the East India Company, and more recently by individual enterprize, with great success in the British dominions in India, and the Foreign indigo of the West, is, in consequence, nearly supplanted by the British indigo of the East. The *rice* of the East is incomparably superior in *quality* to the rice of the West (Carolina); the *condition* in which the East India rice is brought to market checks its consumption, but notwithstanding this great impediment to its introduction into general use, the consumption of East-India rice in England, on the continent of Europe, and in the West Indies, renders it a considerable object of commerce, and the better quality (more nutritious) and lower price, assisted by the improving condition in which it is brought to market, cannot fail to obtain for it, gradually, a decided preference over the rice of the West. The *cotton wool* of India, which when burdened with high freight and charges, was not an object of attention to the merchant or manufacturer, is now an object of the first importance in the trade and manufactures of the country. The con-

sumption in England and on the continent of Europe is *very considerable*, and it is, *therefore*, a production of great importance; but the *effect* of the large importations and extensive use of the East India cotton wool, and of the low rate of price at which it is imported, upon the price of *Foreign* cotton wool, is a more weighty and important consideration. To these causes must be ascribed a large proportion of the considerable reduction in the price of cotton manufactures, and to the *low price* at which these manufactures can be afforded at market, must be ascribed, in great part, the *extended* and *increasing* demand for such manufactures. The *low price* of the East India cotton wool, is a *consideration of great moment to Great Britain*, and the consumption, if not bounded by the low price which the Foreign cotton planter is *compelled* to accept for his produce, in consequence of the price of East India cotton wool, and the want of attention in India to the *condition* in which the East India cotton wool is sent to market, must necessarily increase. The *sugar* of India is become the subject of extensive consumption on the continent of Europe, and notwithstanding the higher duty which is imposed upon it, is the subject of consumption even in England, to an extent plainly indicating that the demand would be considerable, if admitted upon equal terms with British West India sugar. The *coffee* of India—(the produce chiefly of the Dutch settlement in Java) is also a very extensive subject of trade with Europe, and excepting tobacco, the *bulky* Tropical productions of the West, appear to be forcing their way, in all kinds, into the markets of Europe, by means of the *low price* at which they can be afforded. Tobacco is produced in India, very generally, for native consumption, but whether that production will be added

to the evidence of the resources of India for the supply of the European market, can only be determined by more experience : that its introduction will be attempted, under the better commercial principles now in operation, or expected to be brought into operation, cannot admit of doubt ; and the same advantage of cheap labor may be expected to produce results similar to those which are actually experienced in indigo, rice, cotton wool and other productions.

The British Eastern dominions, although not the *exclusive*, are the principal source or medium of these supplies, and whether the resources of these dominions be contemplated in reference to the cheap and abundant supply to the manufacturer of the unwrought material, the permanent and steady demand for British artificery and manufactures, the repression of the Foreign employment of slaves, the improvement of the condition of the Asiatic subject, the general increase of civilisation, or the increase of the British marine, separately, or be contemplated in a connected and combined view of these important considerations, British India is a subject of deep and impressive interest to the Merchant and Manufacturer, the Philanthropist, the Philosopher and the Statesman.

*Abstract of the Author's Publications on the Liquidation of the Public Debt.**

It is endeavoured to be shown;

That the increase in the British empire of the means of national riches and power, has been very considerable during the last thirty years.

That individual ease and comfort are not experienced, in any proportion to this increase of means, but that, on the contrary, the increasing prevalence of suffering and distress, is generally admitted and deplored.

That the Public Debt is a chief cause of this anomalous state.

That the Public Debt admits of *an early and complete liquidation*, upon the basis of a contribution of fifteen per cent., to be levied upon every description of private property, including the amount of the Public Debt.

That such liquidation of the debt may be effected, *without any dangerous or mischievous disturbance of the state of property.*

That relief from duties to the extent of thirty millions per annum, nearly, might *precede* any levy in respect of the proposed contribution of fifteen per cent.

That such remission of duties would, in effect, relieve the country from the payment of at least thirty-six millions per annum, because the *consumer* pays a considerable advance upon the duty paid by the *merchant or dealer*, into the Exchequer.

That the same remission of duties would be the means of repressing, to great extent, the fraudulent and injurious practice of smuggling, of preventing other descriptions of fraudulent dealing, and of reducing the parish rates, in a very considerable degree; and would also admit the establishment of a system, under which the great evil of a population exceeding the demand for employ-

* Elements of a Plan for the Liquidation of the Public Debt of the United Kingdom, 7th edition. And Further Observations on the Practicability and Expediency of Liquidating the Public Debt of the United Kingdom.

This abstract was first published in the year 1820.

ment, might be prevented. ["Further Observations," Appendix E. p. 75.]

That, upon comparing, in the event contemplated, the probable rate of rent from land and dwelling-houses, the probable rate of interest of money, and the presumed rate of public, official and stipendiary income, with the expected and consequent advance in the value of money; the present proprietors of lands, houses, and government stock, and all persons receiving public income and pay, would experience *a clear improvement*, in respect of income, considered with reference to British expenditure, varying in the respective classes, between thirteen and seventy per cent. *And in particular, that in respect of income from land, an improvement might be expected in the proportion which 2000*l.* bears to 1200*l.* per annum.* ["Further Observations," Addenda, pp. 128, 129.]

That the anticipated change in the effective value of money, *as respects the reduction of money prices,*¹ does not lead to the apprehension of any consequences prejudicial to the holders of agricultural stock, or of goods in stock; because this change would ensue, in a great degree, from the remission of duties; the immediate effect of which, upon money prices, would admit of remedy to considerable extent, by the restitution of duty to the merchant and dealer, on the stock on hand: and also, because the further decline of money prices would, in some degree, be checked in its progress by countervailing causes, and might be graduated by legislative means, so as to sustain the price, particularly of agricultural stock, from time to time, until successive supplies, at diminished cost, should enable the grower or dealer to vend at lower rates of price, without loss or prejudice.

That, by the means proposed, the Farmer would be placed in a condition to support the Peasant, to maintain his own family in the state of comfort suited to his station in society, and to make a proper return of rent to the proprietor of the soil.

That, by the means proposed, also, the interests of the merchant, manufacturer and trader, would be essentially promoted and advanced, particularly by the repression of smuggling, and by the

¹ A considerable reduction in money prices, has been experienced since the first publication of this paper, without the advantage of a *precedent* reduction of duties.

removal of the obstructions which a high revenue system presents, to the advantageous revision of the British commercial system.

And, consequently ; that the positions assumed by the writer—namely,

That the ease and comfort of the British people are reduced, intercepted or prevented, by means of the Public Debt ; and that the liquidation of this debt, would place all classes and orders in the enjoyment of the advantages which they have so well earned, by their skill and industry, by their constancy and fortitude ; and to which they are entitled, by the valor and conduct of those who have fought and conquered for them, on the ocean and in the field—

Are sufficiently established for immediate practical application.

THE END.

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